



LAR Presentation to State Health Services Council

Department of State Health Services

September 6, 2012

Presentation Outline

- Overview of Current Biennium
- LAR Timeline
- Exceptional Items Approach
- Listing of Exceptional Items
- Details of Each Exceptional Item
- 10% GR-Related Funding Reduction Approach
- Listing of Reductions

Current Biennium vs. Prior Biennium

Description	FY2012-13 GAA	FY2010-11 GAA	Changes
GOAL 1 - Preparedness and Prevention	\$1,047,483,012	\$1,022,448,386	\$25,034,626
GOAL 2 - Community Health Services	\$3,531,446,086	\$3,647,080,418	(\$115,634,332)
GOAL 3 - Hospital Facilities	\$921,404,676	\$864,173,378	\$57,231,298
GOAL 4 - Consumer Protection Services	\$120,923,800	\$142,278,924	(\$21,355,124)
GOAL 5 - Indirect Administration	\$101,637,873	\$104,244,618	(\$2,606,745)
GOAL 6 - Capital Items	\$45,164,409	\$66,422,097	(\$21,257,688)
TOTAL, GOALS	\$5,768,059,856	\$5,846,647,821	(\$78,587,965)
General Revenue	\$2,129,933,843	\$2,205,307,518	(\$75,373,675)
General Revenue-Dedicated	\$742,736,832	\$818,163,817	(\$75,426,985)
Fed Funds	\$2,488,012,720	\$2,502,176,111	(\$14,163,391)
Other Funds	\$407,376,461	\$321,000,375	\$86,376,086
TOTAL, METHOD OF FINANCING	\$5,768,059,856	\$5,846,647,821	(\$78,587,965)
FTEs	12,464.80	12,554.70	-89.90
Note: This excludes Sex Offender Program			

LAR Timeline

- PreLAR Phase 1-3: Dec2011-Jun2012
- Leadership Letter issued June 4, 2012
- HHSC Meeting held on June 8
- Public Input about LAR: June14-15
- ABEST Data entry/Quality Review: June-July
- Compilation of 1500+ page document: Aug
- Official Submission of LAR: Aug16
- LAR hearing: September 20, 2012

Exceptional Item Approach

- Priority 1: Maintain Current Services
- Priority 2: Ensure Federal & State compliance
- Priority 3: Move Health Forward

Listing of DSHS Exceptional Items

Excluding Office of Sex Offender

EXCEPTIONAL ITEM	BIENNIAL TOTAL	
	GR	All Funds
1. State Hospital Patient Safety and Operations	\$17,733,441	\$17,733,441
2. TB Prevention and Control	\$5,671,868	\$5,671,868
3. Adult Immunizations	\$26,522,000	\$26,522,000
4. Disease Outbreaks and Disaster Response	\$7,103,306	\$7,103,306
5. Hospital Facilities and Infrastructure		\$77,101,281
6. Primary Health Care Expansion	\$69,931,512	\$69,931,512
7. Increase Behavioral Health Treatment Outcomes	\$26,099,234	\$30,922,768
8. Tobacco Cessation and Chronic Disease Prevention	\$8,574,702	\$8,574,702
9. Preventing Healthcare Associated Infections	\$2,000,000	\$2,000,000
10. DSHS Waiting List	\$80,800,000	\$80,800,000
11. Texas Electronic Registry (TER)	\$6,000,000	\$6,000,000
12. CARE Retirement	\$13,740,471	\$13,740,471
13. Increase Mobile Technology	\$2,103,636	\$2,103,636
Total Exceptional Requests	\$266,280,170	\$348,204,985

State Hospital-Patient Safety & Operations

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$13,882,660	\$3,850,781	\$17,733,441
\$13,882,660	\$3,850,781	\$17,733,441
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item request will allow DSHS to (a) pay for stipends of resident physicians to complete portions of their training in the Texas public mental health system; (b) pay for renovation of the Victory Field campus located at the North Texas State Hospital-Vernon (NTSH-V) so it could be used to relocate and operate NTSH-V's adolescent forensic program (AFP); (c) have recorded footage of incidents that occur between staff and patients by purchasing and installing security cameras and related equipment in selected areas of state mental health hospitals and make recordings available to Department of Family and Protective Services (DFPS) and Office of Inspector General (OIG) when conducting investigations into allegations of abuse/neglect; and d) replace old, high maintenance cost vehicles.

TB Prevention and Control

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$2,668,567	\$3,003,301	\$5,671,868
\$2,668,567	\$3,003,301	\$5,671,868
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item request will enhance DSHS efforts to identify at risk individuals, improve accuracy of testing, and target effective treatment of latent Tuberculosis (TB) infections by: (a) purchasing medications and supplies to treat latent TB infections, (b) hiring a new epidemiologist to evaluate current laboratory TB testing and reporting; establish a surveillance system to gather all positive tests to identify persons with suspected or confirmed cases; develop new surveillance procedures for local and regional health departments; redesign and standardize the contact investigation practices based on best practice, and (c) fund costs associated with TB testing.

Adult Immunizations

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$13,145,000	\$13,377,000	\$26,522,000
\$13,145,000	\$13,377,000	\$26,522,000
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item will fund the immunization adult safety net program by purchasing vaccines to prevent the following vaccine preventable diseases among adults: meningitis (MCV4), Hepatitis B, tetanus, diphtheria, pertussis, measles, mumps, rubella, influenza and pneumonia. DSHS had anticipated using federal Center for Disease Control (CDC) immunization funds to cover the GR reductions in this program from the 82nd Texas Legislative Session. However, the CDC also reduced the Texas vaccine budget starting in FY 2012.

Disease Outbreaks & Disaster Response

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$3,551,653	\$3,551,653	\$7,103,306
\$3,551,653	\$3,551,653	\$7,103,306
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item request will increase DSHS' capacity to detect and respond to foodborne and other disease outbreaks across the state of Texas by funding 11 epidemiologists, 10 sanitarians, and establish contracts with local health departments to hire additional epidemiologists to coordinate surveillance, identify possible cases for foodborne illness, investigate reports of foodborne illnesses and to conduct outbreak investigations.

Hospital Facilities & Infrastructure

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR – Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$77,101,281	\$0	\$77,101,281
\$0	\$0	\$0
\$0	\$0	\$0
\$77,101,281	\$0	\$77,101,281
\$0	\$0	\$0

This Exceptional Item request will fund repair and renovation of aging state hospitals and their infrastructure including items associated with the Life Safety Code, Suicide Prevention, roofing, Heating, Ventilation and Air Condition (HVAC), utilities, plumbing, electrical, renovation, American Disability Act (ADA)/Transition Assistance Service (TAS), site, and hazardous materials. Some of the items addressed will impact The Joint Commission (TJC), formerly referred to as the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), accreditation and limit high cost emergency repairs.

Primary Health Care Expansion

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$34,965,756	\$34,965,756	\$69,931,512
\$34,965,756	\$34,965,756	\$69,931,512
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item request will expand the Primary Health Care Program (PHC) to use community health workers to outreach and direct women to services indicated, leverage for acute care and emergency services, including cancer screenings and dental services, and provide an array of priority women's health services. In SFY 11, over 80,000 clients were provided primary health services, about 31,000 women were screened for breast and/or cervical cancer, and approximately 472 breast and/or cervical cancers were detected.

Increase Behavioral Health Treatment Outcomes

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$12,598,036	\$18,324,732	\$30,922,768
\$10,965,843	\$15,133,391	\$26,099,234
\$0	\$0	\$0
\$0	\$0	\$0
\$1,632,193	\$3,191,341	\$4,823,534

This Exceptional Item will (a) allow DSHS to establish and maintain supportive housing for people in substance abuse recovery; (b) to expand housing support options for people with mental illness who are homeless or at risk of being homeless; (c) provide the state GR match for a Medicaid home and community based services state plan option for high need persons with extended stays in the state mental health hospitals; and (d) fund the needs of the substance abuse waiting list.

Tobacco Cessation and Chronic Disease Prevention

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$4,049,735	\$4,524,967	\$8,574,702
\$4,049,735	\$4,524,967	\$8,574,702
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item request will (a) increase tobacco prevention and cessation funding for the Quitline counseling services, nicotine replacement therapy (NRT) to callers from targeted communities, smokeless tobacco prevention to youth in rural counties, and tobacco cessation and smokeless tobacco media outreach in target market areas and (b) expand DSHS' efforts to implement high impact chronic disease reduction and prevention efforts in eight mid to large urban centers. In SFY 2011, 26,183 calls were answered on the Quitline, 12,113 individuals were provided smoking cessation counseling, and 6,305 individuals received NRT.

Preventing Healthcare Associated Infections

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$1,000,000	\$1,000,000	\$2,000,000
\$1,000,000	\$1,000,000	\$2,000,000
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item request will pay for a contractor to implement hospital prevention projects in multiple healthcare facilities across Texas designated to teach healthcare providers the necessary Clostridium difficile (CDI) prevention and control measures.

DSHS Waiting Lists

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$40,400,000	\$40,400,000	\$80,800,000
\$40,400,000	\$40,400,000	\$80,800,000
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item request will fully fund the number of clients in Mental Health (MH) adults, MH children and Children with Special Health Care Needs (CSHCN) program who are on the waiting list as of May 2012.

Texas Electronic Registry (TER)

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$3,000,000	\$3,000,000	\$6,000,000
\$3,000,000	\$3,000,000	\$6,000,000
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item request will provide funding to replace the existing Texas Electronic Registrar (TER) with a system that conforms to national standards for Vital Records.

CARE Retirement

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$6,870,242	\$6,870,229	\$13,740,471
\$6,870,242	\$6,870,229	\$13,740,471
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item (EI) request will fund the retirement of an Information Technology (IT) system used for case management primarily by the legacy Mental Health and Mental Retardation (MHMR) and currently partially used by Texas Department of Aging and Disability Services (DADS), NorthSTAR and providers. The retirement of this IT system would gain agency-wide efficiencies, enabling the agency to redirect resources currently needed to meet IT demands. This EI request would only fund the DSHS IT costs to retire this system.

This system retirement affects DADS, HHSC as well as DSHS. This exceptional item only reflects the DSHS costs. The HHSC and DADS costs are in their LARs.

Increase Mobile Technology

Funding Request

Total (All Funds)

Method of Financing:

General Revenue

GR - Dedicated

Other Funds

Federal Funds

FY 2014	FY 2015	Biennium
\$1,051,818	\$1,051,818	\$2,103,636
\$1,051,818	\$1,051,818	\$2,103,636
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

This Exceptional Item (EI) will support technological solutions for increasing numbers of DSHS teleworkers and to improve productivity of the agency's mobile workforce. This EI would increase teleworkers by 675 across multiple divisions.

FY14-15 Base + EI's vs. FY12-13 LAR Estimates

Description	FY2014-15 LAR Base + EI's	FY2012-13 LAR Estimates	FY14-15 vs. FY12-13
GOAL 1 - Preparedness and Prevention	\$1,187,873,658	\$1,147,655,885	\$40,217,773
GOAL 2 - Community Health Services	\$3,562,763,253	\$3,394,450,314	\$168,312,939
GOAL 3 - Hospital Facilities	\$1,093,179,634	\$962,448,199	\$130,731,435
GOAL 4 - Consumer Protection Services	\$128,719,487	\$127,894,172	\$825,315
GOAL 5 - Indirect Administration	\$111,360,679	\$109,984,680	\$1,375,999
GOAL 6 - Capital Items	\$11,903,297	\$45,164,409	(\$33,261,112)
TOTAL, GOALS	\$6,095,800,008	\$5,787,597,659	\$308,202,349
General Revenue	\$2,392,549,532	\$2,127,124,374	\$265,425,158
General Revenue-Dedicated	\$660,953,069	\$661,941,408	(\$988,339)
Fed Funds	\$2,461,187,512	\$2,504,655,669	(\$43,468,157)
Other Funds	\$581,109,895	\$493,876,208	\$87,233,687
TOTAL, METHOD OF FINANCING	\$6,095,800,008	\$5,787,597,659	\$308,202,349
FTEs	12,349.10	12,349.10	0.00

Note: This excludes Sex Offender Program

10% GR Reduction Approach

- Assessed all programs for public health risk
- Excluded GR tied to MOE (maintenance of effort)
- Reviewed historical lapses
- Reviewed MOF (method of finance) Swap options
- Examined Admin costs to look for efficiencies
- Examined programs with lowest public health risk
- Reviewed Safety Net programs
- Examined Public Health programs

10% GR Reduction Listing

Reduction Item	Biennial Total	FTEs
Swaps and Historical Lapses	(30,200,857)	(13.1)
Administration	(3,063,918)	(18.0)
Elimination of Programs with lowest public health risk	(42,750,365)	(289.6)
Safety net programs	(147,642,888)	(597.2)
Public health programs	(5,862,925)	(35.7)
Grand Totals - All Reductions	(229,520,953)	(953.6)

GR Reduction Proposal: Swaps and Lapses

Reduction Item	Biennial Total	FTEs
Kidney Drug Rebates - Kidney Health Care	(10,956,286)	
TxHealth Steps-Medicaid-HHSC IAC	(2,466,675)	(12.8)
Primary Health Care (Title XX swap)	(7,025,934)	(0.3)
MH Services for Adults - Title XX swap	(9,751,962)	
Grand Totals - All Reductions	(30,200,857)	(13.1)

GR Reduction Proposal: Administration

Reduction Item	Biennial Total	FTEs
Central Administration	(1,319,468)	(9.1)
IT Program Support	(900,000)	
Other Support Services	(707,850)	(8.9)
Regional Administration	(136,600)	
Grand Totals - All Reductions	(3,063,918)	(18.0)

GR Reduction Proposal: Elimination of Programs with lowest public health risk

Reduction Item	Biennial Total	FTEs
Indigent Health Care Reimbursement (UTMB)	(11,500,000)	
Waco Center for Youth	(12,400,000)	(223.0)
South Texas Health Care System	(6,321,329)	(63.0)
County Indigent Health Care Services	(972,741)	(0.9)
Kidney Transportation - Kidney Health Care	(9,653,122)	(2.6)
Epilepsy - Epilepsy Hemophilia Services	(1,903,173)	(0.1)
Grand Totals - All Reductions	(42,750,365)	(289.6)

GR Reduction Proposal: Safety Net Programs

Reduction Item	Biennial Total	FTEs
HIV/STD Prevention	(4,718,048)	(5.0)
Children with Special Health Care Needs	(5,487,502)	(4.8)
Laboratory Services	(3,301,700)	(24.7)
Mental Health Services for Adults	(18,970,488)	(5.5)
Office of Violent Sex Offender Management	(880,420)	
Mental Health Services for Children	(8,145,589)	
Community Mental Health Crisis Services	(16,495,385)	
NorthStar Behavioral Health Waiver	(6,485,039)	
EMS & Trauma Care System	(15,003,815)	(0.1)
Texas Center for Infectious Diseases	(160,487)	(1.1)
State Hospitals (not Waco)	(57,597,471)	(556.0)
Mental Health Community Hospitals	(10,396,944)	
Grand Totals - All Reductions	(147,642,888)	(597.2)

GR Reduction Proposal: Public Health programs

Reduction Item	Biennial Total	FTEs
Public Health Preparedness & Coordinated Services	(289,206)	(4.6)
Health Registries, Information, and Vital Records	(1,501,657)	(9.5)
Infectious Disease Prev, Epidemiology, Surveillance	(1,968,086)	(6.6)
Health Promotion & Chronic Disease Prevention	(949,582)	
Food (Meat) and Drug Safety	(425,350)	(5.9)
Environmental Health	(211,197)	(2.7)
Radiation Control	(312,578)	(3.3)
Health Care Professionals	(198,735)	(3.0)
Health Care Facilities	(6,534)	(0.1)
Grand Totals - All Reductions	(5,862,925)	(35.7)

Questions
